



DIAMOND STANDARD BRAND

The Diamond Standard Proposition:

OEM equivalent parts with reduced claim costs

www.diamondstandardparts.com

Meeting Topics

◆ **Company Background**

- ◆ *Mission Statement*
- ◆ *ISO Certified Manufacturing Group*

◆ **Program Deliverables**

- ◆ *OEM Performance/OEM Equality*
- ◆ *Defensability*
- ◆ *North American Distribution*
- ◆ *Lifetime Warranty*

◆ **Part Types**

- ◆ *Steel Bumpers*
- ◆ *Step Bumpers*
- ◆ *Replacement Hoods*
- ◆ *Reinforcements*
- ◆ *Energy Absorbers*
- ◆ *Bumper Brackets*

◆ **Safety/Summary/Next Steps**



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Company Background



OE ready facilities, materials & process



Delivering Performance Equality



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Mission Statement

Diamond Standard Brand Safety Parts provide the equivalent part choice to OEM meeting the need of insurers, collision repair shops and consumers for a true ALTERNATIVE part costing substantially less. Our manufacturing group is ISO 9001:2000 and TS 16949 certified with underlying quality processes that include reverse engineering, quality control, 3rd party crashworthiness testing; validated by industry experts.



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Manufacturing and Distribution Group

Diamond Standard Parts Management Center

Memphis, Tennessee



Reflexxion Automotive Products

5 Speciality Manufacturing Plants
320,000 sq. ft.

Production Bumper Stampings



2 OE Ready Manufacturing Plants
500,000 sq. ft.

6 US Distribution Centers
270,000 sq. ft.



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Reflexxion

Reflexxion Automotive Products is a USA based manufacturing group headquartered in Memphis, Tennessee with dedicated OE ready manufacturing facilities in both the US and abroad. Since 1993 the market vision has been to produce the highest quality automotive safety related parts at competitive pricing utilizing OEM style materials and production processes. Through this dedication to equivalent quality, the Company has been the leader in Alternative parts.



PBSI

Production Bumper Stampings Inc. (PBSI) is a U.S. based corporation headquartered in Columbus, Ohio with manufacturing facilities in the USA. Since 1977 the Company has produced a line of replacement bumpers from OEM style tooling and production process technology. The Company continues to be the only TRUE ALTERNATIVE source for parts made from HSLA steel that are tested and validated versus original equipment.



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Program Deliverables

- ◆ Part Equivalency
- ◆ Defensability
- ◆ North American Distribution
- ◆ Lifetime Warranty

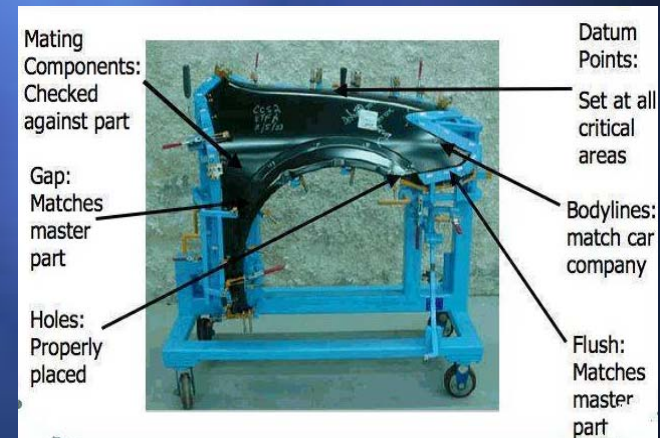


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Reverse Engineering = OEM Equality

*From development to final manufacturing
the quality process blueprint is followed*

- CAD part design
- Vehicle Test Fit (VTF) /Check Fixture Fit
- OEM material properties, thickness, shape
- OEM manufacturing & PPAP processes
- QC of each lot confirming repeatability



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Defensability-3rd Party Crash Testing



- ◆ OEM approved test facilities
- ◆ Test Diamond Standard versus OEM
- ◆ Tested to Federal crash standards



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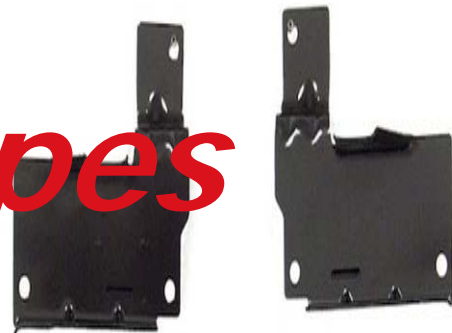
Defensability-3rd Party Validation by Experts

- ◆ Diamond Standard parts have comparable performance to OEM
- ◆ Validators:
 - ◆ George Neat former Chief, Vehicle Crashworthiness Volpe Center
 - ◆ James Hackney former Director, NTHSA Office of Crashworthiness
 - ◆ Rudy Arendt former co-founder of MGA



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Product Types



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CLASS AAA
SAFETY PARTS

The Standard in Alternative Parts!

" DYNAMIC AND DESTRUCTIVE TESTING "



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A MATTER OF SAFETY

- ◆ Your vehicle came with precision crafted collision management systems.
- ◆ Repairing the bumper systems with substandard performing parts increases the potential for greater damage, higher repair costs, risks occupant safety and does not RESTORE the collision management system to predamaged condition.



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A MATTER OF SAFETY

- ◆ Diamond Standard Brand's patent belief is an Alternative OR Aftermarket safety part must meet in like kind, quality and FUNCTIONAL PERFORMANCE the original part it is replacing (the standard).
- ◆ The driving mission in our business model.
- ◆ A matter of conscience.
- ◆ The only choice in safety parts is OEM or Diamond Standard Alternative.



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A MATTER OF TOTAL LOSSES

- ◆ 2004 GM Bumper System Test documented that use of substandard performing Offshore Aftermarket parts created \$1,500 greater vehicle damage in a low speed IIHS protocol test of a 2001 Chevy Cavalier rear bumper system vs. the OEM system.
- ◆ Diamond Standard Duplicated the GM test in 2005 using a DS alternative rebar/energy absorber system vs. OEM system resulting in an equal level of crashworthiness performance to OEM and a savings of \$126 in repair costs.
- ◆ Based on today's costs of repair:

Offshore Aftermarket part fitted Cavalier = TOTAL LOSS

Diamond Standard Alternative or OEM part fitted Cavalier =
REPAIRABLE



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A MATTER OF TOTAL LOSSES

- ◆ Substandard performing Offshore Aftermarket safety parts have been sold, distributed and installed the past 8 years.
- ◆ Mitchell's Regional Trend Report cites total losses increasing to 16.2%
 - ◆ All uploaded estimates 2nd half 2008
 - ◆ TN had total losses in excess of 20%
 - ◆ States with equivalency regs regarding part quality lower than avg
 - ◆ States with no equivalency regs higher than avg
 - ◆ Possible coincidence or effect?



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A MATTER OF AFTERMARKET PART REGULATIONS

- ◆ Safety parts not included in definition of crash replacement parts
- ◆ Material properties and functional performance meeting OEM essential
- ◆ Current TN Regulation Definition:
 - ◆ “Aftermarket crash part” means a replacement for any of the non-mechanical sheet metal or plastic parts which generally constitute the exterior of a motor vehicle, including inner and outer panels not made for or by the manufacturer of the motor vehicle”
- ◆ Identification...logo or name of manufacturer affixed to part
- ◆ Disclosure...must disclose to claimant, identify on estimate, Discl. Doc.



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SOLUTION

Acceptance of Standard(s)
+ NSF Certification
+ DS Part #
+ Certified Distributors
= SUCCESS



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Summary

- ◆ Part Equivalency
- ◆ Defensibility
- ◆ North American Distribution
- ◆ Lifetime Warranty

Take the Diamond Standard vs. OEM Damageability Challenge!

Comparing Diamond Standard Brand Safety part performance to OEM, seeing is believing and compelling. DS Parts are more cost efficient without compromising safety and damageability. (Requires Adobe Flash Player Plugin.)

Bumper Systems Test Analysis



Click and compare!

Click and compare!

A 2001 Cavalier bumper system was tested with OEM parts and Diamond Standard parts. The rebar, energy absorber, and OEM fascia were used in a 3MPH low-speed rear impact test according to the Insurance Institute for Highway Safety Protocol. To conduct this test, a 7 inch diameter steel pole is securely mounted for impact with the rear center of the vehicle. IIHS Protocol is used because it is recognized as the standard within the automotive industry and yielded a cost savings of \$126.94 over OEM parts.



Click and compare!

Click and compare!

Two Insurance Institute for Highway Safety (IIHS) Low Speed crash tests were conducted at MGA Research Corporation on January 5, 2007. A barrier was impacted by a 2006 Chevrolet Silverado at a velocity of 10.0km/h. A summary of test conditions is provided below:

	Test 1	Test 2
Test Vehicle	2006 Chevrolet Silverado	2006 Chevy Silverado
Test Speed (km/h)	10.0	10.0
Bumper Cover	OEM	PBSI
Total Cost of Repair	\$1,778.31	\$1,453.84

Savings: \$324.47

This test was performed according to the IIHS Low-Speed Crash Test, dated May 2006 test procedure. Damage estimates were provided by Lynch Collision Repair.



Thanks for your time!!!

